

2/13/78 [2]

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430

THE WHITE HOUSE

WASHINGTON

February 13, 1978

Jody Powell

The attached was returned in the President's outbox today and is forwarded to you for your information. The Attorney General has been given a copy.

Rick Hutcheson

cc: Peter Bourne

RE: CRIME RATES/HEROIN LEVELS

THE WHITE HOUSE
WASHINGTON

2/13/78

Mr. President:

Eizenstat cautions against "taking credit" for changes in the crime statistics. The crime rate is unpredictable; the changes in the data have not been carefully analyzed; and premature assumptions could lead to embarrassment. However, Stu observes that you might well want to note the changes with some pleasure.

Jody did not think a formal presidential statement would be appropriate in this instance.

Rick

THE WHITE HOUSE
WASHINGTON

<input type="checkbox"/>	FOR STAFFING
<input type="checkbox"/>	FOR INFORMATION
<input checked="" type="checkbox"/>	FROM PRESIDENT'S OUTBOX
<input type="checkbox"/>	LOG IN/TO PRESIDENT TODAY
<input type="checkbox"/>	IMMEDIATE TURNAROUND

cc AG Bell

ACTION	FYI	
<input type="checkbox"/>	<input type="checkbox"/>	MONDALE
<input type="checkbox"/>	<input type="checkbox"/>	COSTANZA
<input type="checkbox"/>	<input type="checkbox"/>	EIZENSTAT
<input type="checkbox"/>	<input type="checkbox"/>	JORDAN
<input type="checkbox"/>	<input type="checkbox"/>	LIPSHUTZ
<input type="checkbox"/>	<input type="checkbox"/>	MOORE
<input checked="" type="checkbox"/>	<input type="checkbox"/>	POWELL
<input type="checkbox"/>	<input type="checkbox"/>	WATSON
<input type="checkbox"/>	<input type="checkbox"/>	McINTYRE
<input type="checkbox"/>	<input type="checkbox"/>	SCHULTZE

<input type="checkbox"/>	ENROLLED BILL
<input type="checkbox"/>	AGENCY REPORT
<input type="checkbox"/>	CAB DECISION
<input type="checkbox"/>	EXECUTIVE ORDER
Comments due to Carp/Huron within 48 hours; due to Staff Secretary next day	

<input checked="" type="checkbox"/>	ARAGON
<input type="checkbox"/>	BOURNE
<input type="checkbox"/>	BRZEZINSKI
<input type="checkbox"/>	BUTLER
<input type="checkbox"/>	CARP
<input type="checkbox"/>	H. CARTER
<input type="checkbox"/>	CLOUGH
<input type="checkbox"/>	FALLOWS
<input type="checkbox"/>	FIRST LADY
<input type="checkbox"/>	HARDEN
<input type="checkbox"/>	HUTCHESON
<input type="checkbox"/>	JAGODA
<input type="checkbox"/>	GAMMILL

<input type="checkbox"/>	KRAFT
<input type="checkbox"/>	LINDER
<input type="checkbox"/>	MITCHELL
<input type="checkbox"/>	MOE
<input type="checkbox"/>	PETERSON
<input type="checkbox"/>	PETTIGREW
<input type="checkbox"/>	POSTON
<input type="checkbox"/>	PRESS
<input type="checkbox"/>	SCHLESINGER
<input type="checkbox"/>	SCHNEIDERS
<input type="checkbox"/>	STRAUSS
<input type="checkbox"/>	VOORDE
<input type="checkbox"/>	WARREN

THE PRESIDENT HAS SEEN.

THE WHITE HOUSE

WASHINGTON

February 7, 1978

cc Griffin Bell
Jody
J

MEMORANDUM FOR THE PRESIDENT

FROM: PETER BOURNE *P.B.*

SUBJECT: CRIME RATES/HEROIN LEVELS

The National Crime statistics have gone steadily down during the last twelve months at a rate faster than at any other time during the last ten years. Of the issues consistently identified by the American people as being at the top of their list of concerns this is the one where, for whatever reason, there has been the most marked and dramatic change for the better during your first year in office. I am convinced that in reality this is overwhelmingly due to a reduction in heroin availability, and a decline in the number of heroin addicts. It is, however, a correlation that can be easily questioned, and an explanation that, true or not, many Americans are reluctant to accept. More important I believe, also, that there is little political gain in attributing it all to an improvement in the drug situation, when it could be interpreted as concrete evidence of what your leadership has accomplished in several other more politically potent areas.

I think the American people are aware that the crime situation is better than a year ago, yet we have been so focused on those issues that continue to be problems, such as energy and the economy, that we have failed to insure that you get credit in their eyes for what is, next to the end of the drought, the most dramatic but unpublicized improvement that has occurred in the country and in the quality of life for the American people during your Administration. I am not sure that any specific statement or action on your part is appropriate at this time, but I wanted to draw this issue to your attention so that if an opportunity develops you could take credit for this accomplishment in the public mind. While there may be many factors contributing to the overall decline in the crime rate, they all in the final analysis derive from your leadership and the atmosphere you have created in the country. Others also will soon notice the trend, and begin to offer their own explanations. Some of the more desirable themes to explain the improvement that might be surfaced include:

- Destruction of the imperial presidency, and the creation of a sense of moral leadership and openness in the White House is restoring respect for law in the country.
- While we still have tough problems to overcome, you have restored people's faith in their government, in "the system", and in our ability under your leadership to make life better in the future.

- Programs to provide jobs, particularly for young people and minorities may be beginning to remove the sense of hopelessness that leads them to turn to crime. We have a long way to go, but the beginning we have made seems to be having an impact.
- People in general are less alienated, because they again feel that those in high places care about them and their problems.
- Efforts to speed up the judicial process, under federal leadership are beginning to enhance the effectiveness of the courts.
- For all the problems with the economy most people are better off financially than a year ago.

There are, of course, some other factors that you have less control over, but which clearly contribute to the change.

- The population is growing older, and therefore the percentage of the population in the youthful age bracket most responsible for committing crime is declining.
- There is a greater inclination to give long prison sentences to chronic offenders, so while the prison population has increased these people are at least off the streets.
- As a reaction to the turmoil of the late sixties and early seventies, I believe we are now in a period of reactive stability.
- A massive infusion of money for equipment and training from the federal government to local law enforcement agencies over the last ten years has begun to have a significant pay off.
- People have become security conscious. They have more security systems in their homes and offices, they are more cautious about going into high crime areas, and they take other precautions to protect themselves.
- And of course the reduction in the number of heroin addicts and level of addiction, which has been the cause in some cities of as much as 50 percent of the street crime.

I am aware of the inherent risks in overtly seeking to take credit for something as labile and amorphous as crime statistics, but I do believe it reflects the very positive changes you have brought about in the country, and the sense of hope that most Americans now have. I hope that by being aware of this issue you can find obtrusive ways over the next few months to take the credit.

PGB:ss

THE WHITE HOUSE

WASHINGTON

February 7, 1978

MEMORANDUM FOR RICK HUTCHESON

FROM: PETER BOURNE *P.B.*

SUBJECT: MY MEMO TO THE PRESIDENT ON CRIME.

I agree with Jody's view that a Presidential statement is inappropriate, which was not really what I had in mind. I have modified the memo appropriately to make it informational rather than calling for any Presidential action. It is an issue that I had raised in a cursory way with the President several months ago and he had asked me specifically to keep him informed on it.

PGB:ss

THE WHITE HOUSE
WASHINGTON

2/6/78

To Peter Bourne

This memorandum is returned to you without being forwarded to the President.

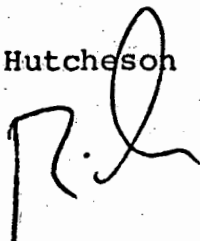
It was reviewed by Jody, who concluded that a presidential statement was not appropriate. Jody suggests that perhaps you might speak about it before a D.C. press group.

Stu Eizenstat also reviewed the memo, and would advise the President against taking credit for the drop in the crime rate during the last 12 months.

Please let me know if you wish to discuss this matter further.

Thanks.

Rick Hutcheson

A handwritten signature in black ink, appearing to be 'R. L.' or 'R. Hutcheson', written in a cursive style.

THE WHITE HOUSE

WASHINGTON

Date: January 30, 1978

MEMORANDUM

FOR ACTION:

Jody Powell *attached - negative*

FOR INFORMATION:

Stu Eizenstat *attached*
Ham Jordan
Jim Fallows

FROM: Rick Hutcheson, Staff Secretary

SUBJECT: Bourne Memo Re: Crime Rates/Heroin Levels

**YOUR RESPONSE MUST BE DELIVERED
TO THE STAFF SECRETARY BY:**

TIME: 12:00p.m.

DAY: Wednesday

DATE: February 1, 1978

ACTION REQUESTED:

☒ Your comments

Other:

STAFF RESPONSE:

☐ I concur.

☐ No comment.

Please note other comments below:

PLEASE ATTACH THIS COPY TO MATERIAL SUBMITTED.

If you have any questions or if you anticipate a delay in submitting the required material, please telephone the Staff Secretary immediately. (Telephone, 7052)

THE WHITE HOUSE

WASHINGTON

January 27, 1978

MEMORANDUM FOR THE PRESIDENT

FROM: PETER BOURNE

P.B.

SUBJECT: CRIME RATES/HEROIN LEVELS

The National Crime statistics have gone steadily down during the last twelve months at a rate faster than at any other time during the last ten years. Of the issues consistently identified by the American people as being at the top of their list of concerns this is the one where, for whatever reason, there has been the most marked and dramatic change for the better during your first year in office. I am convinced that in reality this is overwhelmingly due to a reduction in heroin availability, and a decline in the number of heroin addicts. It is, however, a correlation that can be easily questioned, and an explanation that, true or not, many Americans are reluctant to accept. More important I believe, also, that you would be wasting a unique political opportunity by attributing it all to an improvement in the drug situation, when you could use it as concrete evidence of what your leadership has accomplished in several other more politically potent areas.

I think the American people are aware that the crime situation is better than a year ago, yet we have been so focused on those issues that continue to be problems, such as energy and the economy, that we have failed to insure that you get credit in their eyes for what is, next to the end of the drought for which you can probably not take credit, the most dramatic but unpublicized improvement that has occurred in the country and in the quality of life for the American people during your Administration. I think you should move quickly to make this your accomplishment in the public mind for, while there may be many factors contributing to the overall decline in the crime rate they all in the final analysis derive from your leadership and the atmosphere you have created in the country. If you do not others will soon notice the trend, and begin to preempt the issue offering their own explanations. Some of the themes you might want to stress include:

- Destruction of the imperial presidency, and the creation of a sense of moral leadership and openness in the White House is restoring respect for law in the country.
- While we still have tough problems to overcome, you have restored people's faith in their government, in "the system", and in our ability under your leadership to make life better in the future.

- Programs to provide jobs, particularly for young people, may be beginning to remove the sense of hopelessness that leads people to turn to crime. We have a long way to go, but the beginning we have made seems to be having an impact.
- People in general are less alienated, because they again feel that those in high places care about them and their problems.
- Efforts to speed up the judicial process, under federal leadership are beginning to enhance the effectiveness of the courts.
- For all the problems with the economy most people are better off financially than a year ago.

There are, of course, some others factors that you have less control over, but which clearly contribute to the change.

- The population is growing older, and therefore the percentage of the population in the youthful age bracket most responsible for committing crime is declining.
- There is a greater inclination to give long prison sentences to chronic offenders, so while the prison population has increased these people are at least off the streets.
- As a reaction to the turmoil of the late sixties and early seventies, I believe we are now in a period of reactive stability.
- A massive infusion of money for equipment and training from the federal government to local law enforcement agencies over the last ten years has begun to have a significant pay off.
- People have become security conscious. They have more security systems in their homes and offices, they are more cautious about going into high crime areas, and they take other precautions to protect themselves.
- And of course the reduction in the number of heroin addicts and level of addiction, which has been the cause in some cities of as much as 50 percent of the street crime.

There will be several opportunities in the next few months to address the crime issue, including the swearing in of Judge Webster and the presentation of your crime message now scheduled for April. There may, however, be quicker and less formal ways of communicating this accomplishment.

THE WHITE HOUSE
WASHINGTON

February 2, 1978

MEMORANDUM FOR:

THE PRESIDENT

FROM:

STU EIZENSTAT *Stu*
ANNIE M. GUTIERREZ

SUBJECT:

Crime Rates/Heroin Levels

It is suggested that you "take credit" for the drop in the crime rate during the last 12 months. I recommend against any such efforts for the following reasons:

- o No one is certain why the rate has fallen; it could suddenly increase. If you take credit for the decrease in the rate, you will also be blamed for any rise. I do not believe people think a President is responsible for a drop in crime, given the small federal law enforcement role.

--The data is based on the quarterly releases of the Uniform Crime Reporting System, and reflects the crimes which are reported by law enforcement agencies. The drop might be the result of changes in reporting practices. No one has really analyzed this yet. The data tends to be seasonal. It could be influenced by last year's harsh winter, and a milder winter might result in an increase this year. It is also possible that the incidence of crime is the same, but people are becoming conditioned to it and reporting it less.

--It would be seen as an exaggeration to point to such things as the demise of the imperial Presidency, or the restoration of faith in government, or the moral tenor of the Administration to explain the decrease.

--It appears that the crime rate began to decline before the Administration took office.

- o It is generally accepted among experts that criminal justice statistics are inadequate and need much improvement. An important element in Attorney General Bell's reorganization proposal is a Bureau of Criminal Statistics.

You would be using the Uniform Crime Reports to claim a major accomplishment in reducing crime, and then, a month later, proposing a Bureau of Criminal Statistics because our criminal statistics are so inadequate.

In short, the crime rate is presently unpredictable. Premature assumptions could lead to embarrassment.

Of course, there is no reason to avoid noting with pleasure that a drop has occurred. You simply should avoid trying to take personal credit for it.

Date: January 30, 1978

MEMORANDUM

FOR ACTION:

Jody Powell

FOR INFORMATION:

Stu Eizenstat

Ham Jordan

Jim Fallows

FROM: Rick Hutcheson, Staff Secretary

SUBJECT: Bourne Memo Re: Crime Rates/Heroin Levels

YOUR RESPONSE MUST BE DELIVERED
TO THE STAFF SECRETARY BY:

TIME: 12:00p.m.

DAY: Wednesday

DATE: February 1, 1978

ACTION REQUESTED:

☒ Your comments

Other:

STAFF RESPONSE:

☐ I concur.☐ No comment.

Please note other comments below:

*I don't think this guy merits
a presidential statement. Perhaps he could
speak about it to a D.C. press
group. Just*

PLEASE ATTACH THIS COPY TO MATERIAL SUBMITTED.

If you have any questions or if you anticipate a delay in submitting the required material, please telephone the Staff Secretary immediately. (Telephone 7052)

**THE WHITE HOUSE
WASHINGTON**
February 13, 1978

Frank Moore

**The attached was returned in
the President's outbox. It is
forwarded to you for appropriate
handling.**

Rick Hutcheson

cc: Richard Harden

**RE: PRESIDENTIAL STATEMENTS ON THE
PANAMA CANAL**

THE WHITE HOUSE
WASHINGTON

cc Frank
Richard

Long of books
to Fran

THE PRESIDENT HAS SEEN.

THE WHITE HOUSE
WASHINGTON

February 9, 1978

*Frank -
Let your
people see
these -
Richard J*

MEMORANDUM FOR:

THE PRESIDENT

FROM:

RICHARD HARDEN

SUBJECT:

Presidential Statements on the
Panama Canal

At our meeting the other day you indicated to Carl Calo that you would like to know what previous Presidents have had to say about the Panama Canal. Carl asked Betsy Knauff, our Librarian, to put a team to work on the project, and the attached two notebooks are the result. It is interesting to note that the first reference to the Canal was made by Andrew Jackson in a letter to the Senate on January 9, 1837. The material includes your statements through January 2, 1978.

The team that performed the work included Jennifer Brandt, Director of the White House Reference Center, Judy Burnam, Marcella Jones, Jane Schleicher, and Bernice Carter. I think they have done some fine work, and I thought you might drop by for a few minutes on the way back from your next press conference in the Old Executive Office Building.

Attachments

**THE WHITE HOUSE
WASHINGTON**

February 9, 1978

Frank Moore

**The attached was returned in
the President's outbox. It is
forwarded to you for appropriate
handling.**

Rick Hutcheson

RE: CANAL ECONOMICS/INFORMATION

THE PRESIDENT HAS SEEN.

THE WHITE HOUSE
WASHINGTON

February 8, 1978

C

MEMORANDUM TO THE PRESIDENT

FROM:

FRANK MOORE
BOB THOMSON
BOB BECKEL

Bob

SUBJECT: CANAL ECONOMICS/INFORMATION

This information should help you answer questions on some of the economic issues that have been raised by Treaty opponents. Two larger briefing books covering all relevant issues have been placed on the corner of your desk.

I got one book

J

Rick -

The second book was
redundant, so I did not
give it to the P.

Bob T.

SUMMARY OF CONGRESSIONAL MAIL TO THE PRESIDENT

DATE: FEBRUARY 13, 1978

PAGE: - 1-

FROM

SUBJECT

DISPOSITION

COMMENTS

SEN. ADLAI STEVENSON
DEMOCRAT - ILL.

IS DISTURBED BY FAILURE OF U.S. TO INITIATE NEGOTIATIONS WITH USSR ON MORATORIUM ON TESTING OF NUCLEAR WEAPONS IN SPACE; UNDERSTANDS THIS IS NOT EVEN ON THE TENTATIVE SALT III AGENDA; INTENDS TO RAISE THE ISSUE PUBLICLY, POSSIBLY AT MARCH 8 HEARINGS ON DOD SPACE PROGRAM.

REFERRED TO NSC

36-
Said there already
a moratorium on
this?

SEN. MURIEL HUMPHREY
DEMOCRAT - MINNESOTA

CONTINUES LATE SENATOR'S WORK ON S 2420, THE INTERNATIONAL DEVELOPMENT COOPERATION ACT; CONCERNED THAT EXECUTIVE BRANCH IS DRAGGING FEET ON ANALYSIS OF LEGISLATION; URGES YOUR INTERIM ENDORSEMENT OF THE BROAD GOALS OF THE LEGISLATION, EVEN IF YOU WITHHOLD POSITION ON DETAILS OF THE BILL PENDING COMPLETION OF REVIEW.

REFERRED TO NSC

36-
Comment

SEN. MURIEL HUMPHREY
DEMOCRAT - MINNESOTA

OPPOSES ALLOWING CONCESSIONS ON DUTY-FREE BINDINGS ON EXPORTS TO EUROPEAN ECONOMIC COMMUNITY OF SOYBEANS.

REFERRED TO NSC

SEN. BOB DOLE
REPUBLICAN - KANSAS
(TELEGRAM)

COAL STRIKE.

REFERRED TO EIZENSTAT

cc 3615

C

Electronic Copy Made
for Preservation Purposes

760

THE WHITE HOUSE

WASHINGTON

February 13, 1978

Zbig Brzezinski

The attached was returned in the President's outbox and is forwarded to you for your information and appropriate handling. Please forward a copy of the attached to Secretary Brown.

Rick Hutcheson

cc: Tim Kraft
Hamilton Jordan

RE: SEAFARER
DEFENSE WEEKLY REPORT

~~SECRET~~ ATTACHMENT



~~SECRET~~

THE SECRETARY OF DEFENSE
WASHINGTON, D. C. 20301

S

February 10, 1978

MEMORANDUM FOR THE PRESIDENT

SUBJECT: Significant Actions, Secretary and Deputy Secretary of Defense
(February 4 - 10, 1978)

Military Support--Northeast Snowstorms: Airlift of more than 1,000 Army personnel from six Army posts, along with snow removal equipment, began as soon as the airfields in Rhode Island, Connecticut and Massachusetts were opened. The Air Force has committed sixty-seven transport aircraft and as of this morning has flown over 100 missions.

Your Trip to New England: The most politically sensitive Defense-related issue in New England is the future of Loring Air Force Base in Maine. My staff has provided fact sheets for your use; as we discussed earlier, no decision has yet been taken.

My Budget Testimony: George Brown and I testified this week before three committees: Senate Appropriations, Senate Armed Services, and House Appropriations. Questioning has emphasized major weapons systems; naval forces; the 5th and 6th B-1 aircraft; strategic balance; SALT; manpower; NATO; DoD program and budget procedures. The hearings were less contentious than I had expected.

Charles Duncan's Budget Testimony: Charles, accompanied by the Service Secretaries, testified before the Senate Armed Services Committee yesterday principally on manpower issues--including the readiness status of reserve and active forces, base realignments, and general defense budget trends. The testimony was well received.

Sadat Visit: I have asked the Air Force to investigate the possibility of accelerated delivery of C-130s to Egypt, and shall send a team to Cairo in March to plan introduction--as may be approved--of F5s and possibly of APCs, and earlier delivery of C-130s.

Panama: DoD officials are continuing to speak around the country in support of ratification of the treaties.

SEAFARER: Charles along with Graham Claytor saw Governor Milliken yesterday; the meeting was friendly. Milliken asked a number of good technical questions, and seemed satisfied with the answers. He understands the national security need, but cited internal political pressures in Michigan. Charles and I would like to meet with you to review where we stand on submarine communications, and to discuss several options for handling the

ok

Sec Def

~~SECRET~~

Jag 4/17/90

SUBJECT TO GENERAL DECLASSIFICATION SCHEDULE
EXECUTIVE ORDER 12958. AUTOMATICALLY DECLASSIFIED
AT TWO YEAR INTERVALS. DECLASSIFIED ON 31Dec86

SEC DEF CONTR No. X-0393

political problem. Any course we select is likely to be locally unpopular; nevertheless, I believe some action is essential to our strategic forces.

Extraterritorial environmental controls: The Council on Environmental Quality is proposing regulations to apply U.S. environmental controls to actions involving U.S. funds or materials within other countries. The matter is one of great potential sensitivity to our NATO allies. For that and other reasons I recommend proceeding very cautiously in developing a position.

Electronic Surveillance: Nearly a year ago you supported the Kennedy bill, which in one provision would require warrants for interception even of foreign government communications to which no U.S. person is a party. The House may propose amendments to exempt such communications from the warrant requirement; I believe we should not object to such an amendment.

Copper Purchase Proposal: I understand that your staff is considering a proposal to buy \$300 million worth of copper to add to the strategic stockpile. I believe to do so would be unwise, since copper is a low-priority stockpile item, and many higher priority items remain unfunded. To spend money in this way would contradict our emphasis on readiness.

Civil Works: I have discussed with Cliff Alexander keeping the Army Civil Works position at the Assistant Secretary level, and have no objection to his doing so. Finding a politically acceptable able candidate may be difficult.

Visit of Belgian Defense Minister: This morning I discussed with Belgian MOD Vanden Boeynants the pending Belgian decision on whether to continue participation in the NATO's HAWK air defense. He is a strong supporter of increased Belgian contributions to NATO, but noted that the younger Socialist members of the coalition advance economic difficulties in arguing against such a course. I said that our Congress--and the Administration--will not unilaterally strengthen the U.S. contribution to defense against the growing Soviet capability if the other NATO nations don't do their share.

Visit to the Pacific Command: Next Thursday I shall meet in Hawaii with the military commanders of our forces in Korea, the Pacific, and the Pacific fleet. I also shall be speaking to the Los Angeles World Affairs Council.

Harold Brown

~~CONFIDENTIAL~~

768
C
THE PRESIDENT HAS SEEN.

THE WHITE HOUSE

WASHINGTON

February 11, 1978

CONFIDENTIAL

MEMORANDUM FOR: THE PRESIDENT
FROM: JACK WATSON *J. Watson*
SUBJECT: Status Report on the Coal Strike

Following our telephone conversation on Friday night, I called Frank Moore and asked him to notify Senators Glenn and Metzenbaum of the actions we were about to take relative to Ohio. After Frank had done so, I called Governor Rhodes and told him that your statement declaring a "Regional Energy Emergency" in the State of Ohio would be made on Saturday morning. Governor Rhodes expressed his appreciation for your prompt response.

On Saturday morning at 10 o'clock, we released both your statement on the Ohio energy emergency declaration and your general statement outlining your instructions to the Cabinet concerning the coal shortage situation. Copies of both statements are attached.

I delivered copies of the statements this morning to all of the affected Cabinet members. I also called Griffin Bell, who is in New Orleans for the American Bar Association meeting, to bring him up to date on developments and to be sure that he was prepared to answer questions on the subject during his appearance tomorrow on "Issues and Answers." I suggested that Griffin stress that the Governors of the affected States, not the Federal government, have the primary responsibility for maintaining law and order, and that violence or lawlessness, in any form, will not be condoned. I also suggested that, when asked about invocation of Taft-Hartley, he underscore your belief "that the solution to the strike should be worked out in free collective bargaining between the parties."

"DETERMINED TO BE AN ADMINISTRATIVE MARKING
CANCELLED PER E.O. 12958, SEC. 1.3 AND
ARCHIVIST'S MEMO OF MARCH 18, 1981"

~~CONFIDENTIAL~~

~~CONFIDENTIAL~~

2

John Glenn called me to say that Senator Metzenbaum had been quoted, at a press conference in Ohio, saying that, "the President said he was going to move non-union coal into Ohio, and that he would use Federal troops to protect the movement of that coal." John said that that statement was causing considerable furor and agitation in Ohio. I read your statement to John and explained that, pursuant to your instructions, Jim Schlesinger was working on plans for possible movement of coal. I also explained that the coal to be moved would be western coal, some of which is union and some not, and that we would seek permission of the union to move the coal into the areas of greatest need. I told him that there was absolutely no discussion regarding the use of Federal troops, and that we would appreciate his help in de-escalating the situation. John said that he would do everything he could to help. He also urged, however, your early invocation of Taft-Hartley.

The latest report from the Department of Energy indicates that Duquesne Light Company has an average coal supply, as of Monday, February 13, of 25 days, and that it has executed a 20-percent curtailment of industrial customers. Columbus and Southern Ohio Electric Company has about 41 days' supply left, and Cincinnati Gas and Electric Company and Ohio Edison Company have approximately 37 days left. These are the utilities that will undertake the first large-scale industrial curtailments. DOE estimates that by March 1, when a 25-percent curtailment is fully implemented, there could be approximately 4-1/2 to 5-1/2 million people unemployed in a 9-State region, including Michigan, Indiana, Ohio, Kentucky, West Virginia, and the western portions of the States of Pennsylvania, Maryland, and Virginia.

We have already reduced electricity consumption in Federal facilities, and DOE is meeting with local authorities and utility spokesmen on both the individual and grid levels. DOE is also preparing orders under the Federal Power Act Authorities to maximize imports into the affected region and to ensure that power is shared equitably. DOE estimates that all of the actions they can take will only delay the inevitable massive shutdowns by a maximum of two weeks. It is clear that there is no substitute for settling the strike and getting coal moving again.

The Bargaining Council will reconvene on Sunday morning to consider the agreement. Ray Marshall reports that there is no chance that the contract will be approved by

~~CONFIDENTIAL~~

~~CONFIDENTIAL~~

3

the Council. Ray also reports that sentiment has strongly shifted against Miller. Ray plans to suggest that Miller enlarge the Negotiating Committee to include some "anti-Miller" forces since it is clear that whatever Miller negotiates will not be acceptable. Miller has also lost support within the 39-member Bargaining Council (which consists of the District Presidents and Executive Board Members).

Ray is convinced that, if we were to obtain a Taft-Hartley injunction, it would be disobeyed, and that we could expect only marginal increases in coal production. (Ray estimates that the increase would be, at best, less than 15 percent.)

Ray thinks that, by Wednesday or Thursday, at the latest, it is likely that he will have to intervene, and that, if his intervention fails to work, it will be necessary for you, personally, to become involved. He continues to believe that these "jaw-boning" efforts should be pursued before we seek a Taft-Hartley injunction. In any event, this scenario will all play out within 5 or 6 days.

I am working with Jim Schlesinger and Jack O'Leary to put together the task force called for in your statement promptly. The present feeling is that that task force should meet as early in the week as possible.

~~CONFIDENTIAL~~

Based on a Petition submitted to me by the Governor of the State of Ohio, pursuant to Section 110(f) of the Clean Air Act, I hereby determine that a regional energy emergency exists in the State of Ohio of such severity that a temporary suspension of certain particulate control regulations under the Ohio Air Quality Implementation Plan may be necessary, and that other means of responding to the energy emergency may be inadequate. This determination shall be effective for not more than thirty (30) days, provided that the State of Ohio shall hold the public hearing required by Section 110(f) of the Clean Air Act within one week of this determination. The Administrator of the Environmental Protection Agency retains full authority to disapprove temporary suspensions of regulations in Ohio on a case-by-case basis and to exercise his emergency powers authority under Section 303 of the Clean Air Act, when and if necessary.

I urge the Governor to act with due care if he suspends air pollution regulations under the authority provided by this determination, since such regulations are important to protect public health.

"DETERMINED TO BE AN ADMINISTRATIVE MARKING
CANCELLED PER E.O. 12356, SEC. 1.3 AND
ARCHIVIST'S MEMO OF MARCH 16, 1993"

~~CONFIDENTIAL~~

In recent weeks I have been following closely developments in the coal strike. Earlier this week it appeared that the impasse might be over when the bargainers reached a tentative agreement on a new contract.

Recent events, however, have slowed, and perhaps threatened, ratification of that contract. At the same time, the situation in some areas of the country has become a matter of increasing concern. Voluntary power cutbacks have become widespread in the East Central region, centering in Ohio, and several utilities have ordered mandatory cutbacks to industrial customers. More such cutbacks will follow even if the strike is settled soon, and employment impacts will be felt shortly.

In view of the uncertainties of the current situation, I have instructed members of my Cabinet to accelerate planning and preparation for any contingencies that may arise from continuation of the strike.

- I have asked the Secretary of Labor, working in close cooperation with the Federal Mediation and Conciliation Service, to continue efforts to facilitate the collective bargaining process.
- I have asked the Secretary of Energy (1) to identify and plan for possible movements of coal to points of critical shortage, and (2) to continue his efforts to ensure maximum possible electric power transfer into the affected region from other electric utility systems not affected by the coal strike.
- I have asked the Administrator of General Services to ensure that all Federal facilities in the affected region reduce their power consumption to minimum, necessary levels, effective immediately.
- I have instructed the Administrator of the Environmental Protection Agency to provide expedited review of any requests for temporary relaxation of the Clean Air Act regulations that may be needed.

~~CONFIDENTIAL~~

DETERMINED TO BE AN ADMINISTRATIVE MATTER
CANCELLED PER E.O. 12958, SEC. 1.3 AND
ARCHIVIST'S MEMO OF MARCH 16, 1983

close cooperation with the Governors of the affected States, to review and plan for any Federal measures that may be needed to ensure continued peace and lawfulness in the areas most affected by the strike.

-- In addition, I have requested formation of a Federal/State task force, with headquarters in Canton, Ohio, to coordinate efforts to ensure that employment and human need consequences of power cutbacks are minimized, and that power brought into the affected region is shared equitably. This task force, to be composed of Governors, representatives of Federal agencies, State public utility commissions, private and public utilities and industrial users, will be established immediately and will convene initial meetings within the next few days.

I continue to believe that the solution to the strike must be worked out in free collective bargaining by the parties. I hope that all those involved in the strike will abide by the law and act responsibly in all respects. I urge all parties to respect the principles of fairness and cooperation during the days ahead.

Those in areas most affected by the strike have already made great sacrifices. Before the strike is over, and for several weeks thereafter until the normal flow of coal is restored, even greater hardship will occur. I urge all those in areas threatened by power cutbacks to conserve energy so that these sacrifices are shared equally, and so that no one will suffer unfairly or unnecessarily.

~~CONFIDENTIAL~~

758
THE WHITE HOUSE

WASHINGTON

February 13, 1978

Midge Costanza
Stu Eizenstat
Hamilton Jordan
Bob Lipshutz
Frank Moore
Jody Powell
Jack Watson
Hugh Carter

Re: Cabinet Summaries

The attached were returned in the President's
outbox today and are forwarded to you for
your personal information.

Rick Hutcheson

EYES ONLY

CONFIDENTIAL ATTACHMENTS

FOR THE RECORD: JACK RECEIVED CC

9:00 Am

THE WHITE HOUSE
WASHINGTON

February 11, 1978

Q

MEMORANDUM FOR THE PRESIDENT

FROM:

Jack Watson *Jack*
Jane Frank

SUBJECT:

PROPOSED AGENDA - CABINET MEETING
Monday, February 13, 1978 at 9:00 a.m.

1. Status report on the coal strike and energy shortage ✓
situation.
2. Comments on your final meetings with President Sadat. ✓
3. Comments on the Senate debate on the Panama Canal ✓
treaties.
4. Comments on your forthcoming trip to Maine, New X
Hampshire and Rhode Island.
5. Inform the Cabinet that there will be no Cabinet ✓
meeting on Monday, February 20.
6. Mike Blumenthal suggested that we follow through on
your February 6th request for coordination of federal
assistance to New York City by sending the attached
memorandum to the Cabinet. You might reiterate your
desire to keep the New York City matter well coordinated
and reference my memorandum (which I shall distribute
Monday morning).
7. Comments from Cabinet members. ✓

↑
ok

cc: The Vice President

THE PRESIDENT

THE WHITE HOUSE

WASHINGTON

February 11, 1978

C
/

MEMORANDUM FOR: THE PRESIDENT
FROM: JACK WATSON *Jack*
SUBJECT: Summaries of the Week of
February 6-10, 1978

- I. The weekly summaries are attached.
- II. Miscellaneous Items:
 - The two-day meeting for the Federal Regional Officials went extraordinarily well, and the highlight of the briefings was, of course, your appearance. Your comments were right on the mark. I think we are making substantial headway in our efforts to breathe a sense of vitality, energy, and positive attitude into the Federal Regional Organization. We'll see.
 - You are seeing Pat Harris at 11:15 on Monday morning. Since Pat has been in Trinidad for the last week or so, I do not have any details as to what she wants to discuss. She is due back Sunday afternoon, and I will try to get some indication then.
 - You are also seeing Juanita Kreps for 15 minutes at 1:15 on Monday afternoon. At Juanita's request, it will be billed as a meeting to discuss "various departmental issues." In fact, Juanita wants to discuss, privately and confidentially, with you the political situation in North Carolina and some ideas she has concerning the tobacco situation and the HEW higher education desegregation move. Juanita is very concerned about the way in which those initiatives are being handled and wanted a chance to express her concerns privately to you. I have had several discussions on the tobacco issue with Jim Hunt who is equally concerned about the situation. He is also eager to discuss the subject with you personally.

- After your decision on the 10-percent grain set-aside and the 5-cent increase in storage fees for on-site storage, we notified all of the Governors who had expressed their concern on that subject. We called them just before the press release was posted. They were, to a man, extremely pleased with your action. Bob Bergland and I agreed that the announcement should be a Presidential rather than a Secretarial one. Bob is also working on some other initiatives which he can undertake administratively that will alleviate the farm situation. Bob and I will work closely together to ensure that those announcements are properly orchestrated.

WITHDRAWAL SHEET (PRESIDENTIAL LIBRARIES)

FORM OF DOCUMENT	CORRESPONDENTS OR TITLE	DATE	RESTRICTION
Memo	Andrew Young to Pres. Carter, 1 pg., re: UN Activity	2/10/78	A

FILE LOCATION

Carter Presidential Papers-Staff Offices, Office of Staff Sec.-Pres. Handwriting
File 2/13/78 BOX 72

RESTRICTION CODES

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- (C) Closed in accordance with restrictions contained in the donor's deed of gift.

THE WHITE HOUSE

WASHINGTON

February 13, 1978

Secretary Adams

The attached was returned in the President's outbox and is forwarded to you for appropriate handling.

Rick Hutcheson

cc: Jim McIntyre
Stu Eizenstat

RE: HIGHWAY TRANSIT LEGISLATION - ACTION



THE SECRETARY OF TRANSPORTATION

WASHINGTON, D.C. 20590

February 10, 1978

MEMORANDUM FOR THE PRESIDENT

ATTENTION: Rick Hutcheson, Staff Secretary

FROM: Brock Adams

SUBJECT: Significant Issues Pending at the Department
of Transportation

Highway Transit Legislation - ACTION - As I indicated to you earlier, highway and public transit interests in Congress are actively developing several new programs. There has been good response to the Administration's highway transit bill and I have testified before four separate Committees already. Last night Congressman Jim Howard, Chairman of the House Surface Transportation Subcommittee, told me that Congressmen Biz Johnson, Bill Harsha, and others will introduce legislation next week to authorize \$200 million from the unobligated balances of the Highway Trust Fund to repair winter storm damage to our highways over the past two years. If you believe this type of emergency relief program is worthwhile, I would suggest that the Administration work with the Congress to avoid a confrontation. If you are opposed, then I will instruct the Federal Highway Administrator that we should not support this proposal.

☐ Work with the Congress on this program

☐ I am opposed

☒ Other

Get quick assessment from Stu & OMB

National Transportation Policy Statement - On Wednesday I spoke before the National Press Club on the Administration's transportation policy which is to sharply cut oil consumption in order to better control our oil imports. The policy which we have developed within the Administration is traditionally presented each year to the Appropriations Committee of the House by the Secretary. The main intent of my remarks was how oil usage can be reduced through offering alternatives to individual use of the automobile and by the imposition of fuel economy standards for cars. This policy is directed toward helping meet your goal of reducing gasoline consumption by 12 billion gallons a year by 1985. A copy of a wire service report on the policy statement is ~~attached~~. A copy of my remarks is available if you wish to see it.

Anti-terrorism Measures in Foreign Airports - I have sent a memorandum to Zbig and Cy Vance regarding the Administration's position on the release of a list of dangerous foreign airports. The Senate Government Affairs Committee requested that I report to them in executive session on these airports by February 15.

Aircraft Noise - The House Ways and Means Committee held hearings on the aircraft noise bill on February 6. Opposition to the financing proposals for retrofitting aircraft surfaced at these hearings. The Department is encouraging the Ways and Means Committee members to work with the Public Works Committee members towards a compromise that will be acceptable to them and to the Administration. Progress on the Administration's aviation regulatory reform legislation will be impeded if the Noise Bill is held up in the House.

Railroad Problems - I will be attending the United States Railway Association (USRA) Board meeting on February 14. I have been informed privately that ConRail will report to USRA (which is the Governmentally-backed financial manager for ConRail) that ConRail will need substantial additional funding in the next five years to maintain existing service. I will suggest we use interim financing methods for Calendar 1978 so that we won't have to consider major railroad legislation until 1979. *necessary?*

I am also continuing to meet with the Executive Officers of various viable and bankrupt Midwest railroads and another Conference is scheduled in Chicago on February 16 and 17.

Travel - I will be travelling to South Carolina today, at the request of Congressman Butler Derrick, to address the Augusta Chamber of Commerce. On Thursday, February 16, I will be going to Atlanta to address the Central Atlanta Progress, Inc. I will be going to Alaska on February 23, at the request of Senator Gravel, to address the Alaska Air Carriers Association on the Administration's airline regulatory reform and other matters.

Attachment

THE WHITE HOUSE

WASHINGTON

February 13, 1978

The Attorney General

The attached was returned in the President's outbox and is forwarded to you for appropriate handling.

Rick Hutcheson



Office of the Attorney General
Washington, D. C. 20530

February 10, 1978

Re: Principal Activities of the Department of
Justice for the Week of February 6 through 10

1. Meetings and Events

On Tuesday, the Attorney General had breakfast with Senator Bayh to discuss the Department's relationship with the Senate Intelligence Committee and with Senator Bayh as its new Chairman, as well as the legislation with which that Committee will be dealing this year. On Saturday, the Attorney General is departing for New Orleans, where he will address the mid-winter meeting of the American Bar Association and will appear on Issues and Answers Sunday.

2. Legislative Report

On February 7, the House passed the Omnibus Judgeship Bill, which provides for 110 new district judgeships, 35 new circuit judgeships, and includes a provision requiring the President to establish guidelines for the merit selection of district court judges before appointments could be made to any of the newly created district judgeships. There are few differences between this bill and the Senate version, and it is anticipated that the conference committee will resolve the differences in the near future.

*Let's be
as strong
as possible
on merit
selection*

3. Press Conference on Merit Selection and Marston

On Thursday afternoon, the Attorney General held a one-and-one-half-hour press conference in which he outlined the Administration's achievements to date in implementing merit selection of federal judges and prosecutors, and answered questions about the Marston case, the Eilberg and Flood investigations, and the potential appointment of Sam Dash, described as "the likely candidate" to be U.S. Attorney in Philadelphia. The press conference was calm and positive. Attached is a memorandum on merit selection progress passed out at that press conference.

*Susan:
to me*

4. Webster Confirmation

On Thursday, February 9, the Senate confirmed the nomination of Judge William Webster to be Director of the FBI. Judge Webster will be sworn in on February 23. The Attorney General has invited the President to attend and the Chief Justice has agreed to administer the oath.

5. DEA Reorganization

On Thursday, the Attorney General announced a reorganization of the Drug Enforcement Agency, by which the number of regional offices is being reduced from 12 to 5, and 121 special agents will be freed from desk jobs to work on field investigations. A memo outlining that reorganization is ~~attached~~.

6. KCIA Case

Paul Michel, the lead investigator on the KCIA case, returned from Seoul this week after 17 days of interrogating Mr. Park. The Attorney General will arrange for a briefing should the President want one.

7. Intelligence Executive Order

The Attorney General has organized a working group of representatives of the intelligence agencies to coordinate the writing of regulations of intelligence activity required by the new Executive Order.

8. The Department's weekly report on appointments is ~~attached~~.

Attachments

THE CHAIRMAN OF THE
COUNCIL OF ECONOMIC ADVISERS
WASHINGTON

February 10, 1978

MEMORANDUM FOR THE PRESIDENT

FROM: Charlie Schultze ^{CLS}

SUBJECT: CEA Weekly Report

Program Coordination. CEA is working with Hamilton Jordan to pull together the various strands of public presentation and congressional lobbying on the economic program and coordinate these efforts in order to maximize their impact. The EPG, including Secretaries Kreps and Marshall, also will meet next week to discuss the steps we should take over the next few months to move ahead with the anti-inflation program. Barry Bosworth has worked out a preliminary work plan. When completed, it will be integrated with Ham's project. It is important that all of us speak with one voice on these matters.

Railroad Negotiations. Mike Blumenthal, Barry Bosworth, a representative of Ray Marshall, and I met this week with representatives from the railroad industry to discuss the implications of the deceleration program for their negotiations over a new multi-year contract. From railroad management's standpoint, the most important issue will be work rules -- especially the gradual elimination of the second brakeman on freight trains. Management seems resigned to a wage settlement in the pattern of recent (1976-1977) large union bargaining -- 9-1/2 to 10 percent per year, including the estimated effect of cost-of-living adjustments. The poor financial condition of the railroads, however, could dictate a slightly lower settlement, and successful resolution of the work rules issue could offset some of the costs. Although the railroad contract expired on December 31, 1977 -- and is considered by union and management as the last contract under the "old" bargaining round -- it is likely to be looked on in the press as a 1978 settlement.

Social Security. As you undoubtedly know, many members of Congress are now having second thoughts about the total size of the series of social security tax increases that they enacted last year. Although they gave your plan for limited general revenue contributions short shrift, there

appears to be increasing sentiment for reviewing this decision. Now is not the time to open up this question. But looking forward to the 1979 legislative session, and considering the fact that we may be needing another tax cut in 1980, I think it would be a good idea to begin developing and evaluating a number of alternative approaches to this problem. If you approve, CEA, Treasury, OMB, DPS and HEW could begin this work. I will discuss it with you at our next weekly meeting.



DEPARTMENT OF AGRICULTURE
OFFICE OF THE SECRETARY
WASHINGTON, D. C. 20250

C

February 10, 1978

MEMORANDUM TO THE PRESIDENT

THROUGH Rick Hutcheson
Staff Secretary

SUBJECT: Weekly Report

WHEAT PRICES HIGHER. As of mid-January wheat prices averaged around 30 cents above the \$2.25 loan level, compared with 20 cents below loan early in the season. Prices have firmed with large CCC loan activity and heavy export sales. We forecast a further rise in wheat prices, but large supplies will continue to limit advances.

LARGE MEAT SUPPLIES. Red meat and poultry supplies will remain high in 1978. Pork production may be up about a tenth and broilers up about 6 percent, offsetting a decline of 2-4 percent in beef output. Retail prices for red meat are expected to rise slightly in 1978.

GRAZING FEES. USDA and Interior announced that 1978 grazing fees for some public lands will remain at the 1977 rate until February 21, 1978, when a decision will be made on the proposed new fees.

MISCELLANEOUS. Attached are a summary of USDA Hill contacts and the ASCS/FmHA weekly update of appointments.

A handwritten signature in cursive script, reading "Carol Tucker Foreman", is written over the typed name.

CAROL TUCKER FOREMAN
Acting Secretary

Attachments-3

THE SECRETARY OF COMMERCE
WASHINGTON, D.C. 20230

C
/

February 10, 1978

REPORT TO THE PRESIDENT

"FYI"


Record cold temperatures and snowfall adversely affected most of the Nation last month. Satellite pictures from the National Oceanic and Atmospheric Administration (NOAA) indicate that about 72 percent of the land mass of North America was snow covered during parts of January, the most extensive in the 12 years NOAA satellites have been making such measurements.

Departmental estimates of unemployment levels which could result from curtailments of coal-generated electricity were provided to DoE this week. For the coal-dependent 11-state region bounded by Illinois, Michigan, Pennsylvania and Tennessee, a 15% curtailment could result in 1.5 million job layoffs.

This week during mark-up of the Omnibus Minority Legislation Bill (H.R. 10713) by the House Committee on Small Business, a proposal to identify women as a presumed minority for SBA Section 8(a) eligibility purposes was sharply debated and only narrowly defeated. While the Department and the Administration have remained neutral, the President's Task Force on Women Business Owners has provisionally endorsed the proposal. This will likely be a controversial issue when debated on the House floor. You should be aware that Congressman Parren Mitchell strongly opposes the proposal and is concerned over the Administration's neutral stance.

After Wednesday's White House briefing for representatives of small businesses on the Administration's economic program it was clear that the burdens of government regulations and reporting are still two primary concerns of the attendees. As you well know, these are legitimate concerns. I am hopeful that a number of Departmental initiatives in this area will prove useful and responsive in this regard. I have little doubt that Federal regulatory excesses in the past contributed significantly, although indirectly, to this week's defeat of the consumer agency legislation.

Four outstanding inventors will be introduced into the National Inventors Hall of Fame on Sunday at the Department's Patent and Trademark Office in Arlington. I believe you will be pleased to know that Dr. Luis Walter Alvarez, inventor of basic radar systems, is one of the inductees and will be present for the ceremony. The National Inventors Hall of Fame was established in 1973 as a joint project with the National Council of Patent Law Associations.


Juanita M. Kreps



United States
Environmental Protection Agency
Washington, D.C. 20460

C/

The Administrator

February 10, 1978

WEEKLY REPORT TO THE PRESIDENT

FROM: Douglas M. Costle

Your FY 1979 budget for EPA has been very well received within EPA and among our outside constituencies. Its 33 percent dollar increase (corrected for inflation) contrasts sharply with the Republicans' average of 2.5 percent from 1972 through the last Ford budget. It will allow us to begin to catch up on the work assigned us in 15 major new statutes passed since 1972. We have matched the 690 new positions you allowed us with 680 internal reprogrammings --allowing us to focus 1,370 people on these new, chiefly health-related, priorities.

OMB worked with us in a professional and fair manner. The contrast with the past, when OMB's attempts to throttle the Agency grew into a serious political issue, could hardly have been sharper. It has been a pleasure working with Jim McIntyre, Bo Cutter, Eliot Cutler, and Jim Tozzi.

EXECUTIVE OFFICE OF THE PRESIDENT
COUNCIL ON ENVIRONMENTAL QUALITY
722 JACKSON PLACE, N. W.
WASHINGTON, D. C. 20006

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February 10, 1978

MEMORANDUM FOR THE PRESIDENT

FROM: Charles Warren *Warren*
Gus Speth

SUBJECT: CEQ Weekly Status Report

Hard Rock Mining on the Public Land: For the past several months, we have been working on a publication reporting on the economic, and environmental need to revise the 1872 Mining Law. It will be released Monday. It states the case for mining law reform, and its findings offer considerable support for the objectives of the Administration's bill now before Congress. We are distributing the report to many organizations, members of the press, and Members of Congress.



THE SECRETARY OF HEALTH, EDUCATION, AND WELFARE
WASHINGTON, D. C. 20201

February 10, 1978

MEMORANDUM FOR THE PRESIDENT

SUBJECT: Weekly Report on HEW Activities

The following is my weekly report on significant activities in the Department of Health, Education, and Welfare:

- Education Reauthorization. Early next week, I will be sending you a memorandum summarizing our final recommended positions on the elementary and secondary reauthorizations. We have been working closely with Jim McIntyre and Stu Eizenstat and have reached general agreement, subject to your approval. I will also forward a draft message to Stu. The message should be sent up early in the week of February 20th, as I have to testify before Chairman Perkins on February 23rd.
- Welfare Reform. I am meeting with the Speaker on the welfare reform schedule next week. Chairman Perkins has promised to move the bill out of Education and Labor before April, and favors a firm date for reporting out by all Committees. But Chairman Ullman and Chairman Foley will be far less cooperative. Although Chairman Foley does not like the Administration proposal, I still think there is a chance that he will not work against it with much fervor.

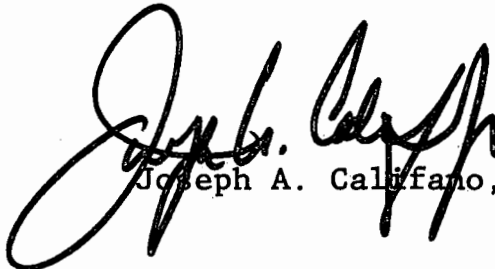
As you pointed out from our famous first meeting, cost is the critical question. We are working on two fronts: to demonstrate that the costs of the Ullman plan are much closer to the Administration bill than Ullman claims, and to reduce the costs of the Welfare Reform Subcommittee bill by working with liberal members of the Corman Subcommittee to move their bill back towards our original proposal in the parent committees.

On the Senate side, Senator Moynihan, despite some negative rhetoric, will still push the Administration proposal. One problem: the Administration's alternative to the tuition tax credit is viewed by Moynihan as a personal challenge.

- Smoking. I will testify before Chairman Rogers' Health Subcommittee next week. I intend to stress that our efforts in reducing smoking will be focused on the

young, and in research and education. Seventy-five percent of those who smoke begin to do so and acquire the habit before they are 21. I also will point out that our smoking effort is a sensible, moderate effort that does not remotely threaten another bureaucratic big-daddy.

- Higher Education Assistance. The joint hearing before Senate Human Resources and House Education and Labor on your proposal to aid middle income families burdened with the expenses of post-secondary education was encouraging. There was substantial bi-partisan support from both Houses.
- SSI Error Rates. Next week I will announce the best figures yet in reducing the SSI error rate. In the latest six-month period (April-September 1977), the rate dropped to 5.2 percent, down from 6.3 percent in the previous six-month period and from 11.5 percent in the beginning of 1975. This decrease -- which saved \$40 million in the April-September 1977 period -- results from new data processing systems and other quality control procedures. It also demonstrates that the Carter Administration is beginning to deliver better government in meaningful dollars and cents terms.
- New York Welfare Administration. At a press conference tomorrow in New York, Mayor Koch and I will announce seven projects to improve the administration of the city's welfare programs, cut down on fraud and error and saves money. These efforts are the result of close cooperation among the city, New York State and HEW. The initiatives include improved computer capabilities, including matching techniques, use of a contractor to locate absent parents and obtain delinquent payments, a pilot project to test monthly (rather than semi-annual) surveys of welfare recipients, and a model welfare center.


Joseph A. Califano, Jr.



THE SECRETARY OF HOUSING AND URBAN DEVELOPMENT
WASHINGTON, D. C. 20410

February 10, 1978

MEMORANDUM FOR: The President
Attention: Rick Hutcheson, Staff Secretary

SUBJECT: Weekly Report of Major Departmental Activities

Federal Disaster Activity. Faced with the most intense winter storms in decades, the Federal Disaster Assistance Administration (FDAA) has arranged for more than 85 shelters to care for some 12,000 New Englanders. A total of 1,038 troops with 278 pieces of equipment has been committed so far with resources being airlifted from North Carolina, Virginia, Texas, Georgia, and Louisiana.

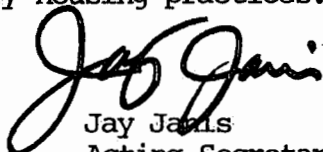
The Federal Government reimburses a state for 75 percent of the actual costs of snow removal performed or contracted for within five days after you declare a state of emergency. Emergency declarations already cover work in Rhode Island, Massachusetts, and Connecticut, and we are processing Governor Carey's request that five downstate counties, including New York City and Westchester County, be declared disaster areas. Governor Thomson declared a state of emergency in New Hampshire and is expected to request assistance later this week.

Mortgage Loans Up 40 Percent. During 1977 the dollar volume of mortgage lending on 1 to 4 family homes was the heaviest on record, running 40 percent above the 1976 pace of \$113 billion.

Fair Market Rents Up 7.3 Percent. The annual updating of the Section 8 Fair Market Rent (FMR) schedules for all localities in the country shows that inflationary increases in rents and utilities have caused FMRs to rise by 7.3 percent.

Action Grant Applications Close. As of the January 31 deadline for the first round of applications, 82 metropolitan cities have submitted 114 applications for UDAG assistance. The cities asked for over \$701 million; up to \$150 million is available. (The Chicago Region has applied for the most -- \$171.8 million; the Denver Region the least -- \$7.8 million).

Hotline for Fair Housing Complaints. HUD is receiving some 250 calls a week -- 13,200 calls a year -- on a special WATS line instituted to provide information about fair housing and take statements on alleged discriminatory housing practices.


Jay Janis
Acting Secretary



THE SECRETARY OF THE INTERIOR
WASHINGTON

February 10, 1978

MEMORANDUM TO THE PRESIDENT

From: Secretary of the Interior

Subject: Major Topics for the Week of February 6

As I see criticism in the press about this Administration's lack of success with legislative programs, I am compelled to point out that all environmental and conservation proposals have passed or are progressing on schedule. The major ones are:

- | | |
|---------------------------|---|
| 1. Strip Mine Bill | (passed) |
| 2. OCS Amendments | (passed) |
| 3. Drought Relief | (passed) |
| 4. Redwoods Bill | (passed) |
| 5. Alaska Lands Selection | (Mark-up result is basically your bill with passage this year.) |

My final meeting with the Governors on Water Policy will be February 17th. We are still on schedule.

Excess lands position is being completed this month in consort with the interested western members of Congress.

Senator Burdick should be ready for a meeting with you early next week. He has one tough decision yet to make. No vote-no project.


CECIL D. ANDRUS

U. S. DEPARTMENT OF LABOR
OFFICE OF THE SECRETARY
WASHINGTON

"FYI"

C

February 10, 1978

MEMORANDUM FOR THE PRESIDENT

FROM: SECRETARY OF LABOR, Ray Marshall *for*

SUBJECT: Major Departmental Activities, February 4-10

Coal situation troubled. Action may be needed on spot shortages of coal.

Despite the tentative contract settlement on Monday, the coal strike is far from settled. The current impasse reflects Arnold Miller's weak political position within the union. We are doing the necessary background work for a Taft-Hartley injunction. We are also working with the Department of Energy and others to see what can be done to meet the needs of power plants running short of coal. At the moment, we are trying to assess the gravity of the situation in specific locations. Under discussion are contingency plans for moving coal supplies to places where serious shortages may develop.

Met with key union officials to explain Administration's economic policy.

Recently, I have met with virtually all key union leaders--except for the Teamsters. The emphasis has been on anti-inflation policy, but I have discussed all aspects of the economic situation. One topic was my effort to get the AFL-CIO to moderate their attack on the Administration's anti-inflation policy. The AFL-CIO will be issuing a statement on the subject at their Executive Council meeting in Bal Harbour, Florida, over the Washington's Birthday weekend. That statement's contents remains to be seen.

These meetings also focused on coordinating legislative strategy on such issues as the Panama Canal Treaty, energy, labor law reform, Humphrey-Hawkins and undocumented workers. On energy, I stressed to them the direct relationship between the quantity of foreign oil we import and domestic unemployment.

THE SPECIAL REPRESENTATIVE FOR
TRADE NEGOTIATIONS
WASHINGTON
20506

C
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February 10, 1978

MEMORANDUM FOR THE PRESIDENT

From: Ambassador Robert S. Strauss

Subject: Weekly Summary

My Deputy, Alan Wolff, together with our textile and agricultural man, has just completed a ten-day trip covering India, Malaysia, Australia, New Zealand and Singapore. He saw the Heads of Government and Finance and Trade people in each country and based upon his reports, the trip has been most productive.

With respect to your conversations with Rockefeller this week on the Panama Canal, unless you advise to the contrary, I am going to continue to speak with him at regular intervals and have him maintain contact with each of those he called. My followups indicate that he has undoubtedly made substantial progress, although probably not as much as he thinks.

I regret the short fuse we gave you on the fastener case and it was entirely the fault of this office, not of Eizenstat's. We are just having a difficult time getting our work out.

General industry lobbying on the Hill on all the trade issues is getting very heavy and is going to be an increasing problem.

My meeting with Kissinger, Javits, and Ribicoff was, while not earthshaking, useful and productive.

On Monday, I will deliver the watch instructions and I know you will be pleased to learn that I have successfully "mooched" another.

Have a nice weekend.



THE SECRETARY OF THE TREASURY
WASHINGTON 20220

F.Y.I.

February 10, 1978

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MEMORANDUM FOR THE PRESIDENT

Subject: Highlights of Treasury Activities

I spent Monday and Tuesday in New York City meeting separately with Mayor Koch, Governor Carey, the unions, the banks and other relevant local parties. The meetings were exploratory, although I conveyed our impressions of the City's budget and financing outlook and the types of local commitments in both areas which will be necessary.

Some extension of Federal lending is necessary. You have had my oral report on this, and I will give you specific recommendations within the next two weeks.

EPG is now putting together a comprehensive schedule of industry and labor consultations, and a Cabinet-level speech campaign, as part of our effort to encourage a deceleration of the inflation rate. There are significant political risks in giving this voluntary program a high profile, but otherwise it will certainly be wholly ineffective.

I testified Thursday before the JEC on the economic program. The overall reception was relatively good. Negative questions focused on the increasing tax bite from Social Security, and the failure of income tax cuts to offset this for middle-income families. I expressed the view that after our tax bill has passed, another look at Social Security financing may be necessary.

The House floor vote on the Witteveen authorization bill has now been rescheduled for February 21. I met today with freshman and sophomore members of the House to urge support for the legislation.

Through mid-day Friday, the dollar traded within narrow ranges in quiet markets. Pre-election uncertainties caused speculative selling of the French franc; depreciation against the dollar has been limited to 3-1/4 percent so far this month by French intervention and French credit restrictions which raised interest rates. Treasury and the Federal Reserve have not intervened so far this month.

Custom's implementation of the Trigger Price Mechanism, for 16 categories of major steel mill products, is scheduled to begin on February 21.

I will report next week on my trip to Europe.

A handwritten signature in black ink, appearing to read "W. Blumenthal". The signature is stylized with a large, looped "W" and a cursive "Blumenthal".

W. Michael Blumenthal



VETERANS ADMINISTRATION
OFFICE OF THE ADMINISTRATOR OF VETERANS AFFAIRS
WASHINGTON, D.C. 20420
February 10, 1978

C

TO: The President
THRU: Jack H. Watson, Jr.
FROM: Administrator of Veterans Affairs

VA Presidential Update

Pension Developments - VA's pension study which was due by law to Congress on 10/1/77 went to the Hill on 1/30/78. VA testified at pension hearings (Senate side 2/3/78 and House side 2/9/78) and vigorously opposed any general service pension or "bonus bill" for WW I service. Such pension plans would pay \$150 a month regardless of need at a cost between \$10 and \$15 billion in the next five years. VA also declined to support S. 2384 and H.R. 10173, much more moderate pension reform bills, in their present form, but promised to work with Congress in molding an acceptable measure. The WW I veterans organization now claims 210 co-sponsors of Rep. Glenn M. Anderson's H.R. 9000, which would pay \$150 a month regardless of income for as little as one day of service during the war period.

Reports to Congress - In addition to the pension study, VA recently submitted three other statutorily required reports to Congress: (1) A report on "The Aging Veteran: Present and Future Medical Needs" focuses on increasing health care needs of aging WW II and Korean War veterans, and outlines plans and programs we have developed in response to these needs; (2) a report, "VA Implementation Plans for National Academy of Sciences Report Recommendations," listed a timetable for carrying out recommendations we accepted; and (3) a comprehensive study of the "Dependency and Indemnity Compensation Program" which advocated retention of the current system, but with regular adjustments for changes in the cost of living and an additional allowance for surviving spouses housebound because of their disabilities.

Foreign Visitors - On 2/2/78, Daniel MacDonald, Canadian Minister of Veterans Affairs, visited me for an excellent exchange on the programs in our two countries. On 2/6/78, Madame Anwar Sadat visited my office. She was given a briefing on treatment of seriously disabled veterans, and then visited the Washington, D.C., VA Hospital. She is intensely interested in medical rehabilitation of the disabled.

Presidential Memorial Certificates - Through 1/31/78, VA has issued 220,750 of these certificates under your signature to next-of-kin of deceased veterans. The certificate program (authorized by 38 U.S.C. §112), which generates a vast number of grateful responses, was initiated in March 1962 under President Kennedy.

First-Class Travel - Doing Even Better - In a previous report I noted this type of air travel by VA officials had been reduced nearly 83% during my first 10 months in office. In the first quarter of this fiscal year only 12 of 1,543 trips were first-class, a percentage of only 0.008%.

Legion Attacks - American Legion National Commander Robert Charles Smith has issued a statement saying the Legion will make "forceful presentations" on the Hill demanding restoration of the VA hospital planned for Camden, N.J., as well as defeat of VA's plans to eliminate more than 3,100 hospital beds in F.Y. 1979. Commander Smith questioned the President's "true concern about the problems of veterans." The Legion statement reflects views that either have been, or will be, expressed by the major veterans organizations.

My Clerk

Community Services Administration

WASHINGTON, D.C. 20506



MEMORANDUM TO THE PRESIDENT

FEB 10 1978

Attention: Rick Hutcheson, Staff Secretary

FROM: Grace Olivarez
Director
Community Services Administration

SUBJECT: Weekly Report of Significant Agency
Activities (February 6 - February 10,
1978)

CSA Blizzard Emergency Assistance

The Community Services Administration is prepared to immediately assist the poor and near poor, victims of the recent heavy snowfall, extreme cold and blizzard conditions in each of the six states which have been declared Emergency Areas. Funds in the amount of \$100,000 will be available to be used for blankets, warm clothing, temporary shelters as well as for payment of outstanding utility/fuel bills where necessary to obtain continued service. Upon passage of the FY'78 Urgent Supplemental Appropriations, an additional 10 million will be available for those states and any additional ones declared federal emergency areas.

Community Action Agencies Attend National Conference

More than 500 representatives of Community Action Agencies held a five-day national conference in Kansas City, Missouri organized by the National Headquarters Office, CAA Directors, and CAA field representatives. The purpose of the conference was to clarify the agency's mission, strengthen the CAA network, and exchange ideas regarding numerous concerns including energy, urban planning, rural development, food programs and CAP management.

UP-066

(TRANSPORTATION)

(BY EDWARD K. DELONG)

WASHINGTON (UPI) - TRANSPORTATION SECRETARY BROCK ADAMS, ANNOUNCING A MAJOR NEW TRANSPORTATION POLICY, SAID TODAY HIS DEPARTMENT IS SHIFTING ITS EMPHASIS TOWARD WAYS TO REDUCE GASOLINE CONSUMPTION AND PROVIDE ALTERNATIVES TO CARS.

ADAMS SAID THE ADMINISTRATION'S REVISED POLICY WILL HAVE A MAJOR IMPACT ON TRANSPORTATION DECISIONS MADE DURING THE NEXT DECADE, WITH MANY OF ITS PROGRAMS AIMED AT FIGHTING DOWNTOWN CONGESTION, NOISY AIRPLANES AND UNSAFE CARS.

SOME INDICATORS OF THE NEW POLICY ALREADY HAVE SURFACED, ADAMS SAID, POINTING TO HIS DECISIONS IN THE PAST YEAR TO REQUIRE AIRBAGS OR OTHER PASSIVE SAFETY RESTRAINTS IN CARS, TIGHTEN FUEL ECONOMY STANDARDS, SUPPORT AIRLINE REGULATORY REFORM AND PAY MORE ATTENTION TO THE ENVIRONMENTAL IMPACT OF HIGHWAYS.

"WE ARE SHIFTING FROM AN AGENCY THAT BUILDS SYSTEMS TO ONE THAT IS CONCERNED ABOUT HOW THOSE SYSTEMS SERVE PEOPLE," HE SAID IN A NATIONAL PRESS CLUB SPEECH.

ADAMS SAID THE NEW POLICY WILL:

- HELP MEET PRESIDENT CARTER'S GOAL OF REDUCING GASOLINE CONSUMPTION BY 12 BILLION GALLONS A YEAR WITHIN EIGHT YEARS.
- IMPROVE THE U.S. BALANCE OF PAYMENTS AND CREATE NEW JOBS.
- CONVINCE COMMUTERS THAT PUBLIC TRANSIT CAN GET THEM TO WORK QUICKLY AND CHEAPLY, AND PROVIDING MORE ALTERNATIVE SYSTEMS - BUS, LIGHT RAIL, VANPOOL, JITNEY OR TAXI - FOR THOSE WHO MUST NOW DEPEND ON CARS OR WHO HAVE NO CARS.
- PUSH FOR A "SOCIALLY RESPONSIBLE CAR" THAT IS SAFE, ECONOMICAL AND NONPOLLUTING.

"WE CAN START RIGHT NOW TO CONSERVE FUEL AND CREATE SOME ALTERNATIVES TO THE AUTOMOBILE," ADAMS SAID. "OR WE CAN WAIT FOR THE TIDAL WAVE OF NECESSITY TO HIT US - AND SWIM LIKE HELL."

ADAMS SAID THE NEW TRANSPORTATION POLICY WOULD TRY TO ACHIEVE ITS GOALS THROUGH SUCH METHODS AS ENCOURAGING A DEMONSTRATION OF FREE PUBLIC TRANSIT IN A MAJOR CITY IN HOPES OF LURING DRIVERS FROM THEIR CARS FOR AT LEAST PART OF THEIR DAILY TRAVEL.

HE SAID AIR TRAVEL WILL CONCENTRATE ON BUILDING A SAFE, COMPETITIVE SYSTEM THAT SERVES MORE TOWNS WITH VIRTUALLY NO CONSTRUCTION OF NEW "HUB" AIRPORTS IN THE NEXT DECADE.

HIGHWAY PROGRAMS, HE SAID, WILL CONCENTRATE ON CLOSING ESSENTIAL GAPS IN THE EXISTING INTERSTATE HIGHWAY SYSTEM AND FINDING WAYS TO HELP STATES MAINTAIN THAT SYSTEM.

UPI 02-08 01:23 PES



United States of America
General Services Administration
Washington, D.C. 20405

Administrator

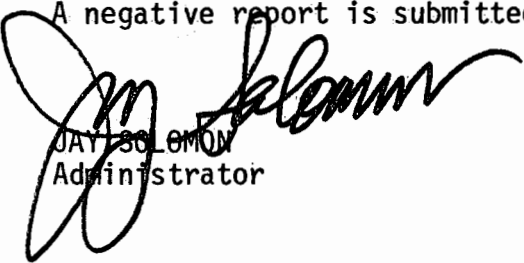
February 10, 1978

MEMORANDUM TO THE PRESIDENT

THRU: Rick Hutcheson

SUBJECT: Weekly Report of GSA Activities

A negative report is submitted for the week ending February 10, 1978.



JAY SOLOMON
Administrator

February 13, 1978

To Tammy Cremeans

Thank you for your nice letter.
I appreciate your thoughtfulness,
and your invitation to stop by
for refreshments if I am in
Rootstown or Ravenna.

Sincerely,

JIMMY CARTER

✓ X
Miss Tammy Cremeans
4721 Timberview Drive
X Ravenna, Ohio 44266

JC/sc

60

*your invitation to stop for refreshments
if I am in Rootstown or Ravenna*

7802 15/100

①

Dear Mr. President:

I have watched you on television a couple of times and I have discovered that no matter what some people say you do know what you're saying. I was born in West Virginia and the favorite President in those days was Kennedy. I of course thought he was the greatest. He died two weeks after I was born so as you see I didn't really know him as well as most people. You are doing a great job as far as I'm concerned. Billy Carter's beer tastes bitter to me but don't tell him O.K. I really am hoping you'll write back to me.

over

(2)

no one thinks we're
important here in
Rootstown. I've and I
lost friends and we
always have a way
in something. Well,
let Mr. Meddant,
guess by now you've
gave off the letter but
not for you to look
at the letter would
mean lots to me. If
you ever make your
way to Rootstown, Ohio,
or Ravenna, Ohio, stop
in for refreshments.
We're not the same as
people as you're accustomed
to but we'll be glad to
have your company.

Sincerely,
Tammy Creamer
4741 Timberline Drive
Ravenna, Ohio 44666

P.S.
325-1824 my number
216-325-1824

5/19/78/10735/RT
PR5-D

February 13, 1978

To Lisa Robison

Thank you for your nice letter.
I appreciate your thoughtfulness,
and your invitation to visit with
you if I am in Ravenna.

Sincerely,

JIMMY CARTER

Miss Lisa Robison
3772 Herriff Road
★ Ravenna, Ohio 44266

JC/sc

60 in envelope to mail if ever used
Ravenna, Ohio 44266
780215 HCO

DEAR MR PRESIDENT
hallo, WHEN MR Dickau Told me
he was going TO the white
HOUSE my first reply was
"ARE you Going TO SEE MR
CARTER" he SAID YES SO
WE'RE setting HERE trying to
figure OUT what to write
I'm SURE your sick of those
business letters all the time
so I'm writing one you
WERE USED to BEFORE you
became PRESIDENT BECAUSE I
know you'll forget about it
any way and forget my
name as soon as you
Read it but just for you
to SEE this letter is
an honor and if you're
EVER in TOWN drop By

Lisa Robison
3772 HERRIFF ROAD
RAVENNA, Ohio
44266

Sincerely
Lisa
Robison
—H—P

1-216-297-1167

THE WHITE HOUSE
WASHINGTON

Mr. President--

Attached was in your
brief case.

-- Susan

*Susan -
Type brief notes
Jill sign
J*